SECTION 5

NORTHWESTERN ENERGY			Section No. 5
HURON		6th Revised	Sheet No. 1
SOUTH DAKOTA	Canceling	5th Revised	Sheet No. 1

GENERAL TERMS AND CONDITIONS

APPLICABILITY

These General Terms and Conditions apply to all classes of electric service unless otherwise indicated on the rate schedule.

CUSTOMER CONNECTION CHARGE

Customer Connection is defined as attaching a Customer to receive utility service upon a request for new service or reconnection of discontinued service (Customer Connection does not include the reconnection of a Customer whose utility services were discontinued due to nonpayment of utility bills. Reconnection charges for such Customers are based on the Company's hourly rates for service work with a one hour minimum.) The amount of the Customer Connection Charge will be \$10.00 for all Customer Connections during normal business hours defined as 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays, and \$15.00 for Customer Connections during other than regular business hours. The connection charge will be billed on all Customers applying for electric service. The Customer Connection Charge shall be paid by the Customer receiving power and energy from the Company, and is due and payable upon presentation. If a bill is not paid, the Company shall have the right to refuse service.

ACCESS TO PREMISES

The Company has the right of access to the Customer's premise, including right-of-way, at all reasonable times for the purpose of installing, reading, inspecting, or repairing any service lines, meters, devices, and other equipment and facilities used in connection with furnishing of any or all service, including any necessary repairs and maintenance, or for the purpose of removing its property and for all other proper purposes.

OWNER'S CONSENT TO OCCUPY

In case the Customer is not the owner of the premises or of the intervening property between the premises and the Company's lines, the Customer will obtain from the property owner(s) the necessary consent to install, operate and maintain in said premises all such electric equipment as is necessary or convenient for supplying electricity to the Customer.

CUSTOMER'S INSTALLATION

The Customer will furnish and own all interior wiring and equipment for use of the service, conduit for underground services, and all poles, wires, meter sockets, and fixtures necessary to distribute such service from the point of service attachment to the various buildings served. Point of service attachment is defined as that point where the facilities of the Company are physically connected to the facilities of the Customer. In general, the point of attachment on overhead services is where the Company's conductors enter the weatherhead and, for underground services, is where the Company's conductors connect to the top of the Customer's meter socket.

All wiring and equipment furnished by the Customer will be maintained by the Customer at all times in conformity with the requirements of the constituted authorities and with all Terms and Conditions of the Company.

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Date Filed: November 23 2005	Effective Date:	May 1, 2006	

Jeffrey Decker

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NORTHWESTERN ENERGY Section No. 5 2nd Revised HURON Sheet No. 1a 1st Revised Canceling Sheet No. 1a SOUTH DAKOTA

GENERAL TERMS AND CONDITIONS

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EXTENSION OF SERVICE

The Company may elect to install overhead or underground facilities to extend service. If the Company intends to install overhead facilities to extend service, the Customer may request the Company to instead install underground facilities to extend service to Customer. In such case, the terms and conditions related to Underground Service in these tariffs shall apply

UNDERGROUND SERVICE

For underground electric services, the Company will install underground facilities to extend a service line without charge to the extent of 150 feet of cable along the shortest feasible route from the distribution line to the point of service attachment. If additional footage is required, the Customer will make a non-refundable contribution of \$1.00 per foot of cable exceeding 150 feet. The Customer will arrange and pay for all trenching and backfilling, consistent with the Company's specifications, that are required for installation of the underground service line. In addition, the Customer will pay the Company for any conduits or fittings used in the installation of such service line.

EXCLUSIVE SERVICE ON INSTALLATION CONNECTED

No electric service will be used by the Customer on the same installation in conjunction with the Company's service, either by means of a throw-over switch or any other connection or device, except where the Customer has a contract with the Company for reserve or auxiliary service.

The Customer will not sell the electricity purchased from the Company to any other Customer, company, or person, and Customer will not deliver electricity purchased from the Company to any connection wherein said electricity is to be used off the Customer's premises or by persons over whom Customer has no control, except as specifically provided for in the Customers' Contract For Service.

PROTECTION OF COMPANY'S PROPERTY

The Customer will properly protect the Company's property on the Customer's premises from loss or damage and will permit no one who is not an agent of the Company to remove or tamper with the Company's property. Under applicable laws, in any case of tampering or interfering with the proper functioning of a meter installation (including, specifically, the Company's meter seal) or evidence thereof t

Company will be entitled to collect from the Customer, at the appropriate rate, for all power and energy no recorded on the meter by reason of such tampering, interfering, theft or diversion of service, in an amount which may be estimated by the Company from the best available data, together with all expenses incurred by the Company as a result of such unauthorized acts.					
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Date Filed: November 23, 2005	Effective Date: May 1, 2006 Jeffrey Decker				

NORTHWESTERN PUBLIC SERVICE COMPANY
HURON,
SOUTH DAKOTA 57350

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GENERAL TERMS AND CONDITIONS

(Continued)

RESIDENTIAL WATER HEATER RESTRICTION

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Residential water heater installation shall be equipped with thermostatically controlled noninductive heating elements designed for a nominal voltage of 240 volts single phase service. Water heaters shall have an electric capacity of not more than 5,000 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.

CONTINUITY OF SERVICE AND VOLTAGE REGULATION

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The Company will endeavor to provide continuous service but does not guarantee an uninterrupted or undisturbed supply of electric service. The Company will not be responsible for any loss or damage resulting from the interruption or disturbance of service for any cause other than gross negligence of the Company. The Company will not be liable for any loss of profits or other consequential damages resulting from the use of service or any interruption or disturbance of service. The Company will furnish electric service within normal voltage and frequency limits, provided, however, if the normal voltage regulation furnished customers is unsatisfactory for special apparatus requiring close regulation, or if the customer's electrical appliances are subject to damage due to high or low voltage, the single phasing of three-phase service, phase reversals, or other fluctuations in the quality of service furnished by the Company, then the customer shall install regulative apparatus and protective devices at his own expense.

Date Filed: July 2, 1990 Effective Date: August 1, 1990

Issued By:____

R. F. Leyendecker

Vice President-Rates & Regulation

NORTHWESTERN ENERGY HURON SOUTH DAKOTA

GENERAL TERMS AND CONDITIONS

(Continued)

METERING

The service used will be measured by a meter or meters to be furnished and installed by the Company at its own expense; provided however Customers are responsible for arranging and paying for a telephone line when electronic metering is installed for a Customer. Upon the registration of said meters all bills will be calculated. If more than one meter is installed on different classes of service (each class being charged for at different rates) each meter will be considered by itself in calculating the amount of any bill. Meters include all measuring instruments. Meters will be located as near as possible to the service entrance and on the ground floor of the building in a clean, dry, safe and easily accessible place, free from vibration, or at such other point selected by the Company.

Commercial Customers having more than one power or heating meter, or both will be billed under the appropriate commercial rate. The billing department will either add the consumption and bill in one amount under the proper rate or bill separately under the correct rates for services as used by the Customer. If the Customer has two or more services of different characteristics and does not care to change the necessary wiring and entrances, he will be billed at the applicable separate rate until the physical wiring changes are made at his expense.

Where, at the Customer's request, the Company has installed primary metering or MV90 metering with electronic totalizing application, unless otherwise approved by the Company, the Customer will own and be responsible for the maintenance of all electric lines and facilities, other than transformers, from a single point of delivery, and the Company will combine all usage for billing purposes.

SUBMETERING

Submetering will not be permitted unless it is at the same premises and either the Customer or the Company have compelling reasons for not combining the existing services into one service and one meter. Under no circumstances shall a Customer's wiring cross a public street or alley.

METERING FOR RESALE

A Customer is not permitted to receive power or energy through one meter and resell such power or energy to another user through separate meters, regardless of who owns the meter serving the ultimate user.

METER TEST BY CUSTOMER REQUEST

Any Customer may request the Company to test its electric meter. The Company shall make such test as soon as possible after receipt of the request. If a request is made within one year after a previous request, the Company may require a residential Customer to pay a \$10 deposit and may require any other Customer to pay a deposit in the following amount:

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Date Filed: November 23, 2005

Effective Date: May 1, 2006

Jeffrey Decker

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SOUTH DAKOTA ELECTRIC RATE SCHEDULE NORTHWESTERN ENERGY Section No. 5 3rd Revised HURON Sheet No. 3 SOUTH DAKOTA Canceling Revised Sheet No. 3 GENERAL TERMS AND CONDITIONS (Continued) Single Phase Meter \$10.00 Single Phase Demand and Self-Contained 3-Phase Meter \$20.00 All other Polyphase \$30.00 The deposit shall be refunded only if the meter is found to have an unacceptable error, as defined in the Commission's regulations. MASTER METERING All buildings, mobile home parks, and trailer courts for which construction was begun after June 13, 1980, shall be metered separately for each residential or commercial unit, with the exception of hospitals; nursing homes; transient hotels and motels; dormitories; campgrounds; other residential facilities of a purely transient nature; central heating or cooling systems; central ventilating systems; central hot water systems; residential multiple occupancy building of only two units, one of which unit is occupied by the owner of the building; and multiple occupancy buildings constructed, owned, or operated with funds appropriated through the Department of Housing and Urban Development or any other federal or state government agency. Any existing multiple occupancy building receiving master metered service which is substantially remodeled or renovated for continued use as a multiple occupancy building, if such remodeling or renovation is begun after June 13, 1980, shall be individually metered, unless the building meets any of the exceptions listed above or unless the owner of such building demonstrates to the satisfaction of the Public Utilities Commission that conversion from master metering to individual metering would be impractical uneconomical, or unfeasible. The restrictions against master metering, contained in the preceding paragraph, are waived to the extent requests for variances, are granted by the Public Utilities Commission. DETERMINATION OF MEASURED DEMAND The measured demand will be the average number of kilowatts used by the Customer during the 15 minute period of maximum use during the billing month. DETERMINATION OF BILLING DEMAND The average power factor is defined as the quotient obtained by dividing the number of kilowatthours (KWH) used during the billing period by the square root of the sum of the squares of the number of kilowatt-hours used and the number of leading or lagging reactive kilovolt-ampere-hours supplied during the same period. Average Power Factor = KWH SQUARE ROOT (KWH2 + KVARH2) T The Company reserves the right to make monthly tests to determine the average power factor of the Customer's installation. The average power factor for the month may be determined by permanently installed metering equipment or by periodic test under normal operating conditions. Test will be made at

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Date Filed: November 23, 2005

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Effective Date: May 1, 2006 Jeffrey Decker

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GENERAL TERMS AND CONDITIONS

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the metering point.

If the monthly average power factor of any metering point is less than 95% for:

a) Accounts with measured demand

Adjusted demand will be determined by multiplying measured demand (kw) by 95% divided by the average power factor applicable to the billing period as previously determined. The billable power factor adjustment will be the resulting increase in billable demand at the demand charge rate as shown on Sheet No. 14, plus applicable adjustments as shown on Sheets No. 33a and 33b..

b) Accounts without measured demand

Adjusted energy will be determined by multiplying measured energy (kwh) by 95% divided by the average power factor applicable to the billing period as previously determined. The billable power factor adjustment will be the resulting increase in billable energy at energy rates pursuant to rate schedules otherwise applicable.

MONTHLY BILLS

- (a) Bills for service will be rendered monthly unless otherwise specified. The term "month" for billing purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as near practicable every thirty days.
- (b) Failure to receive a bill in no way exempts Customers from the provisions of these Terms and Conditions.
- (c) When the Company is unable to read a meter after a reasonable effort, the Customer will be billed based on the Company's best estimate, considering billings for the previous year, the previous month, and estimated peak usage, and the billing adjusted when the meter is read.

TERMS OF PAYMENT

Bills are due and payable upon receipt and will be delinquent if not paid by the 20th day after billing. A late payment charge of 1% of the unpaid balance plus a collection fee of \$2.00 will be assessed against any delinquent account having an unpaid balance of \$5.00 or more at the time of processing of the next monthly bill. Where a Customer has been disconnected for non-payment of a bill, a reconnection

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Date Filed: November 23, 2005	Effective Date: May 1, 2006	
	Jeffrey Decker	

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GENERAL TERMS AND CONDITIONS

(Continued)

charge will be assessed in accordance with the Company's concurrent connection policy. There shall be a charge of \$15.00 for any check or draft submitted to the Company for payment which is dishonored or returned by the financial institution on which it is drawn.

OPTIONAL RATES

When two or more rates are available for certain classes of service, the conditions under which they are applicable to the requirements of particular Customers are plainly set forth in the Company's rate schedule. If a customer is eligible to receive service under more than one rate, the utility, upon notice of this fact, shall advise the customer of all alternatives. The choice of such rates lies with the Customer who will be given reasonable opportunity to determine his service requirements before definitely selecting the most favorable rate.

Thereafter, the Company will upon request advise the Customer as to the rate best adapted to existing or anticipated service requirements as defined by the Customer, but the Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected after service is originally provided.

The Customer should periodically investigate his operating conditions with a view to determining desirable changes from one available rate to another. The Company, lacking knowledge of changes which may occur at any time in the Customer's operating conditions, does not assume responsibility that customers will be served under the most favorable rate nor does the Company make refunds covering the difference between the charges under the rates in effect and those under the rate applicable to the same service except if an unfavorable rate was initially selected by the Customer at the time of provision of service and the first paragraph above set forth was not complied with in whole or in part.

A Customer, having selected a rate adapted to his service, may not change to another rate within a twelve month period unless a substantial change in the character or conditions of his service occurs which is unrelated to a rate which is based on annual or seasonable considerations.

DISCONTINUANCE OF SERVICE

In addition to the provisions of ARSD 20:10:20, the Company has the right to discontinue service to a Customer in the event that an unsafe service condition exists on the Customer's premises, which is likely to cause injury to person or property. The Company will notify the Customer prior to such disconnection, if practical under the circumstances.

BUDGET PAYMENT PLAN

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Date Filed: November 23, 2005	Effective Date: I	May 1, 2006

Jeffrey Decker

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NORTHWESTERN ENERGY HURON SOUTH DAKOTA

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GENERAL TERMS AND CONDITIONS (Continued)

Budget Bill Payment Plan

The Company's Budget Bill Plan (BBP) is available to residential and commercial customers. It may be initiated for a customer at any time during the year, provided that the customer has paid all outstanding utility charges due the Company.

The company will have a billing practice under which a Customer may be billed monthly for a percentage or portion of the Customer's total annual consumption as estimated by the Utility. The purpose of such budget billing is to provide, insofar as it is practicable to do so, a uniform monthly bill.

Each BBP account will be reviewed by the Company at least semi-annually, based on their Budget Billing start date, to determine if an adjustment to the budget amount is necessary, to minimize annual over/under collection balances. The new BPP will be determined by adding the customers actual debit or credit balance, at the time of review, to the customer's prior 12 months billings under current tariff rates, adjusted for normal weather, known changes in consumption, and projected Adjustment Clause price increases or decreases, the sum of which is divided by twelve. Where prior billings are not available, the Company will estimate billings using the best available information of customer's consumption.

Should a customer request that the Company not take the actual debit or credit balance into consideration when calculating a revised budget amount, the Company will issue a check to a customer with a credit balance or bill the customer for any debit balance.

Service to customers participating in the BPP shall be pursuant to the General Terms and Conditions of service including the Terms of Payment provisions contained therein, provided, however, that service to a BBP customer will not be disconnected for non-payment if the customer has a credit balance in his account. A customer may discontinue participation in the BBP at any time.

RESIDENTIAL WATER HEATER RESTRICTION

Date Filed: November 23, 2005

Residential water heater installation shall be equipped with thermostatically controlled noninductive heating elements designed for a nominal voltage of 240 volts single phase service. Water heaters shall have an electric capacity of not more than 5000 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.

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Effective Date: May 1, 2006

Jeffrey Decker

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GENERAL TERMS AND CONDITIONS

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CUSTOMER'S EQUIPMENT

The transformers, service conductors, meters and other equipment used in furnishing service to a Customer have a definite capacity. Therefore, no material increase in load or equipment will be made without first making arrangements with the Company for the additional electric supply.

Individual motors over 1/2 horsepower and/or having a rating exceeding 7 1/2 amperes shall be connected to a line to line circuit.

Single phase motors exceeding 5 horsepower and/or with locked rotor current exceeding 100 amperes shall not be connected to the Company's system without prior Company approval. Motors of 10 horsepower or over must be supplied with three-phase service. The Company reserves the right to limit the size of motors that may be operated on any part of its system, for operational purposes.

Any motor, when started on full-rated voltage, causes a drop in voltage on the electrical system serving it and may cause unsatisfactory operation of other equipment. In those installations where starting currents have, or will have, a detrimental effect on the system or other equipment, the Customer will be required to install suitable starting devices to limit starting currents to allowable amounts. Information as to starting currents allowable in the service area should be obtained from the Company's local office. The Company will endeavor to suggest ways and means of meeting such requirements.

PROTECTION SERVICE

The Company cannot render service to any Customer for the operation of any device which has a detrimental effect upon the service rendered to other Customers. The Company, however, will endeavor to cooperate with its Customers when consulted concerning the intended use of any device.

Where the Customer's use of electricity is intermittent or subject to violent fluctuations, the Company reserves the right to require the Customer to furnish at his own expense suitable equipment to reasonably limit such intermittence or fluctuation.

CONTINUITY OF SERVICE AND VOLTAGE REGULATION

The Company will endeavor to provide continuous service but does not guarantee an uninterrupted or undisturbed supply of electric service. The Company will not be responsible for any loss or damage resulting from the interruption or disturbance of service for any cause other than gross negligence of the Company. The Company will not be liable for any loss of profits or other consequential damages resulting from the use of service or any interruption or disturbance of service. The Company will furnish electric service within normal voltage and frequency limits, provided, however, if the normal voltage regulation

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ate Filed: November 23, 2005	Effective Date:	May 1, 2006
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GENERAL TERMS AND CONDITIONS

(Continued)

furnished Customers is unsatisfactory for special apparatus requiring close regulation, or if the Customer's electrical appliances are subject to damage due to high or low voltage, the single phasing of three-phase service, phase reversals, or other fluctuations in the quality of service furnished by the Company, then the Customer shall install regulative apparatus and protective devices at his own expense. Without notice, the Company may curtail or interrupt service to any or all of its Customers when, in its judgment, such curtailment or interruption will prevent or alleviate a threat to the integrity of its power supply.

To assure adequate safety to personnel and equipment, the customer shall provide and maintain code-approved protective devices in each phase to protect all motors against overloading, short circuits, ground faults and low voltage, and to protect all three-phase motors against single-phasing.

Computers and other sensitive electronic equipment, which require high grade, uninterrupted power, may, on occasion, experience problems when connected directly to the Company's distribution system. The Customer should check with an electric dealer, wireman, contractor, engineer, or architect to ascertain the need for Customer-supplied lightning arresters, surge suppressors, isolation transformers, bypass meter socket, standby or uninterruptible power supplies.

LIABILITY

The Customer assumes all responsibility for all service and equipment at and from the Customer's point of service attachment of such service, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring by such services and equipment, except where said injury or damage is shown to have been occasioned solely by the negligence of the Company.

AGENTS CANNOT MODIFY AGREEMENT

No agent has power to amend, modify, alter or waive any of these Terms and Conditions, or to bind the Company by making any promise or representation not contained herein. However, the Company will continue its policy of attempting to accommodate Customers and Customer problems wherever possible.

COGENERATION AND SMALL POWER PRODUCTION

Qualifying Facility. A qualifying facility is a power production or cogeneration facility which has received qualifying status under the Public Utility Regulatory Policies Act of 1978 (PURPA), Sections 201 and 210 and regulations established by the Federal Energy Regulatory Commission (FERC), 18 CFR Part 292. Any interconnection between the Company and a qualifying facility shall be in compliance with PURPA, the FERC regulations, and the Decision and Order of the Public Utilities Commission in Docket F-3365.

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Date Filed: November 23, 2005 Effective Date: May 1, 2006

Jeffrey Decker

Issued By: Regulatory Department

NORTHWESTERN PUBLIC SERVICE COMPANY HURON, SOUTH DAKOTA 57350

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GENERAL TERMS AND CONDITIONS

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Small Qualifying Facility. A small qualifying facility is a qualifying facility with certified capacity of 100 KW or less.

Company Obligations. Subject to the provisions of these general terms and conditions, PURPA, the FERC regulations, and the Decision and Order of the Public Utilities Commission in Docket F-3365, the Company has the obligation to purchase any electric energy and capacity that is made available from a qualifying facility, to sell to any qualifying facility any electric energy and capacity requested, to make interconnections with any qualifying facility to accomplish purchases or sales, and to offer to operate in parallel with a qualifying facility.

Safety and Reliability Standards. Interconnection between the customer's qualifying facility and the Company's electric system mandates the adoption of reasonable standards to ensure the safety and reliability of the Company's electric system and to protect the customer, its qualifying facility, the general public, and the Company's employees. The Company adopts the following practices, methods, and acts as such reasonable standards:

- the exercise of reasonable judgment in the light of the facts (including but not limited to the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry prior thereto) known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety, and expedition, taking into account the fact that Prudent Utility Practice is not intended to be limited to the optimum practice, methods, or acts to the exclusion of all others, but rather to be a spectrum of possible practices, methods, or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition. Prudent Utility Practice includes due regard for manufacturers' warranties and requirements of governmental agencies of competent jurisdiction.
- 2) The customer's qualifying facility and associated equipment shall meet all requirements of applicable state and federal regulations; local, state, and national codes; and all standards of Prudent Utility Practice.
- 3) Prior to connecting the customer's qualifying facility in parallel to the Company's electric system, the customer shall provide to the Company for its review, the specifications for major equipment associated with the customer's qualifying facility and detailed electrical diagrams, which

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diagrams must show all related wiring and safety features of the qualifying facility, equipment nameplate data including the interface device and the control system of the customer's power source; a site plan, and the operating characteristics for the customer's generator and interconnection, and all of these items must be approved by the Company. The Company will permit the customer to operate its qualifying facility in parallel with the Company's electric system only when this can be done without adverse effects on the general public, other utility customers, and the Company's equipment and employees. Certain protective devices (relays, circuit breakers, etc.) within reasonable electrical industry standards may be required by the Company. The purpose of such devices is to promptly remove the infeed from the customer's qualifying facility whenever a fault occurs, so as to protect the general public, other utility customers, and the Company's equipment and employees from damage due to fault currents produced by the customer's qualifying facility.

- 4) Interconnection shall be made in such manner that, if the voltage from the Company is absent, the electrical interconnection is immediately broken.
- 5) The customer must comply with all applicable provisions of the State Electrical Code, the National Electrical Safety Code, and the National Electrical Code.
- 6) The customer's generating system, including interconnecting equipment, shall meet the requirements of and be inspected and approved by the State Electrical Commission and any other public authority having jurisdiction before any interconnection is made to the electric system of the customer or the Company.
- 7) Wind driven generating facilities, for safety purposes, shall be connected by underground conductor to a point of a horizontal length not less than 1.5 times the fall distance of the qualifying facility from the Company's facilities.
- 8) To protect appliances and equipment on the premises of the customer and other customers, the power generated by the customer shall not induce excessive distortion to the system's voltage or current sine waves. The maximum allowable distortion must not exceed 10% measured at the customer's service box.
 - 9) To protect the qualifying system, and to protect all parties from

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GENERAL TERMS AND CONDITIONS

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electric shock, the customer shall supply and install automatic devices to positively disconnect his generating equipment from the system in the event of a disturbance or supply outage on the Company's system. The Company shall be allowed access to this device at all times to permit periodic safety tests.

- 10) The customer shall furnish and install a disconnecting switch to be connected between the Company's electric system and the qualifying facility. This switch must provide a visual opening in the line and shall be located and equippped so that the Company's employees can have access to operate and lock the switch in case of an outage or for work on the Company's system.
- 11) If the customer's qualifying facility interferes with the operation of the Company's equipment or interferes with service to other customers, the Company reserves the right to disconnect.
- 12) The customer's load, in conjunction with the generating system shall not have a power factor of less than .95 leading or lagging.
- 13) The customer shall furnish and install all additional wiring and equipment needed to connect the qualifying facility metering at existing service location. The meter socket shall be installed as close as possible to the existing service meter.
- 14) The customer shall give reasonable notice to the Company concerning periods during which the customer-generated energy is proposed to be furnished and the estimated amount thereof.
- 15) The customer shall advise the Company prior to making any revisions to the customer's qualifying facility, the control system, or the interface between the two power systems after the installation. Any such revision must be acceptable to the Company.
- 16) The Company will not assume any responsibility for protection of the generator or any other portion of the qualifying facility's electrical equipment. The customer is fully responsible for protecting its equipment in such a manner that faults or other disturbances on the Company's system do not cause damage to the customer's equipment, the general public, and the Company's equipment and employees.
- 17) Should the parallel operation of the customer's qualifying facility cause interference or adversely affect voltage, frequency, harmonic content,

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or power factor in the Company's system or the service to other customers, the Company may require disconnection of parallel operation until the condition has been corrected.

- 18) The Company shall be responsible for maintenance of all equipment it has supplied. The customer shall be responsible for the maintenance of its generating, protective equipment, and interconnection equipment. Complete maintenance records must be maintained by the customer and be available for the Company's review.
- 19) The Company reserves the right to inspect on demand all protectiv equipment including relays and circuit breakers owned and installed by the customer at the point of interconnection.
- 20) All interconnections shall be made in compliance with the requirements shown on the Exhibits which are made a part of these General Terms and Conditions.
- 21) The Company reserves the right to promulgate such other safety and reliability standards necessary for the operation of its system as may be allowed or required by law.

Interconnection Charge. An interconnection charge will be assessed to recover those costs associated with the addition to or modification of Company facilities to accommodate the small qualifying facility in excess of the facilities and expenses recovered in the monthly customer charge. At the option of the customer, the interconnection charge shall be a single nonrefundable charge for the costs incurred or to be incurred by the Company, or a monthly levelized charge equal to one-twelfth of the Company's annual fixed costs plus cost of maintenance. If the customer selects the monthly interconnection charge and permanently disconnects from the Company's system prior to completion of all monthly payments, the customer will be responsible for making a one-time payment to the Company. The one-time payment will include those interconnection costs not yet paid plus removal costs, minus salvage value, along with an administrative charge.

Customer with an SQF shall indemnify, protect, defend and save harmless the Company from and against any and all claims and demands for damages, remote as well as proximate, to property and injury or death to persons, including payments made under any workman's compensation law or under any plan for employees' disability and death benefits, which

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Date Filed: November 30, 1984 Effective Date: January 7, 1985

Issued By: R. F. Leyendecker

Manager-Rates & Regulation

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may arise out of or be caused by the installation, maintenance, presence, operation or removal of the qualifying facility, or by any related act or omission of the customer, its employees, agents, contractors or subcontractors.

Customer with an SQF shall maintain during the term of the SQF Electric Service Agreement liability insurance which insures the customer against all claims for property damage and for personal injury or death arising out of, resulting from, or in any manner connected with the installation, operation and maintenance of the SQF. The amount of such insurance coverage shall be at least \$300,000 per occurrence. The customer shall furnish a certificate from its insurance carrier showing that it has complied with the provisions of this section and providing that the insurance policy will not be changed or cancelled during its term without written 90-day notice to Northwestern Public Service Company.

 $\underline{\text{Output}}$. The output of a QF or SQF shall be 60 cycle and shall be at the voltage and phase of the existing service or service proposed to the customer.

Three-phase Power. Three-phase power cannot be interconnected to the Company's system unless three-phase power already exists or three-phase power is proposed to be utilized by the customer for purposes other than operating a QF or SQF.

Agreement. Service to a qualifying facility will be as set forth in these General Terms and Conditions and in a written Agreement between the Company and the customer.

Standby, Supplementary, Emergency and Incidental Services. The Company will provide standby, supplementary, emergency and incidental services upon request of the customer. These services will be available pursuant to a negotiated contract between the Company and the customer and are defined as follows:

- a. Standby service is defined as service continuously available through a permanent connection to provide power and energy for use by customer in case of failure of another mechanical or electrical source of power.
- b. Supplementary service shall be defined as service continuously available through a permanent connection to supplement or augment directly or indirectly another independent source of power.

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- c. Emergency service shall be defined as service supplied through a temporary connection of customer's use when his usual source of supply has failed.
- d. Incidental service shall be defined as service continuously available through a permanent connection to provide power and energy for use by customer where such use is merely incidental to customer's operations and essentially for his convenience, for voltage or frequency control, for partial lighting of selected or limited areas, or for operation of controls, battery chargers, starting devices, electric clocks, or other equipment requiring relatively small quantities of energy as compared with customer's total energy usage.

Date Filed: November 30, 1984

Effective Date: January 7, 1985

Issued By: R. F. Leyendecker

Manager-Rates & Regulation